

ESCATEC plans almost tenfold increase in R&D headcount and turnover by 2016

Launch of Integrated Product Design and Manufacturing Service

Heerbrugg, Switzerland – July 22, 2011 – ESCATEC, the EMS innovator, will be increasing its Research and Development operations significantly over the next five years growing the headcount from 30 to 200 and the turnover from \$4 million to \$40 million. This will enable the company to provide a fully integrated product design and manufacturing service that covers every stage from taking the initial idea for a product through R&D to product design, prototyping and then volume production in the company's Asian facilities.



“We have identified R&D as being the key differentiator for ESCATEC that sets it apart from other contract manufacturing companies,” explained Daniel Pfeifer, who has just been appointed the Head of the new Global R&D Team at ESCATEC. “At one end of the product creation chain you have the design companies and at the other end you have the contract manufacturers but neither knows much about the other's skills. As a result, product prototypes are created without being designed for manufacture, so that, when the prototype is handed over to a manufacturer, they find at a late stage that the design is not suitable for mass-production. By then, it is too late to fix it without significant cost and delay to the project. It is not joined up! We cover the gap in the market by working in partnership with customers at every step of the way to create and produce products.”

ESCATEC has been offering a contract R&D service to its customers for a number of years and the proven success of this offering has led to the decision to focus on a dramatic ramp up, which will enable the company to offer a full end-to-end product service to an even wider range of customers. The Heerbrugg facility will be the Global Headquarters for the R&D operation. “Being in Switzerland means that we are close to our European customers,” added Daniel Pfeifer. “We will be adding design centres in America, Asia and other European locations in order to support our customers close to their R&D headquarters and all co-ordinated from our Global R&D Headquarters. Also, by having R&D facilities around the globe, we can use the time zones to provide 24 hour continuous support.”

Gerhard Klauser, General Manager at ESCATEC Switzerland, added, “Companies have been outsourcing their manufacturing to third parties or using Original Device Manufacturers for some time now. The trouble is that they are losing the ability to differentiate and innovate as they often don't owe the all-important Intellectual Property (IP). Our service puts the customer in control of their destiny by ensuring that they own the IP that is developed for them, and enabling them to use their core knowledge and skills to come up with the product ideas that we then make real for them. It enables them to focus on what makes them different and unique.”



For further information about ESCATEC, one of Europe's leading providers of design and manufacturing services: www.escatec.com enquiries@escatec.com

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